

1 consumer cost and ability to be used while engaging in other
2 activities. Can't really do that with television.

3 My interest in the issue of media consolidation and
4 control dates back to 1996 and the period immediately following
5 the passage of the Telecom Act of that year. I speak today as
6 a listener and as a -- I guess a former broadcaster.
7 Additionally, I'm pleased to mention that the late Minnesota
8 senator, Paul Wellstone, was one of the handful of senators who
9 did not vote for the Telecom Act. He was a good man.

10 In absentia, I would like to thank you, Commissioner
11 Copps, for your strong position on public hearings about this
12 important issue of media control. Contrary to suggestions by
13 Chairman Powell and Commissioner Abernathy that the public
14 record on this issue via paper and electronic filings is
15 sufficient, these faceless -- those faceless opinions and
16 contributions are not equal to face-to-face meetings and panels
17 at broadcasting conventions with any B executives.

18 Even hearings and forums like this one today aren't the
19 same or really equal to one-on-one meetings like you have
20 inside the beltway. But they are affording those outside the
21 beltway the opportunity for some type of face-to-face contact
22 with the FCC. And I think that's important, as others have
23 said earlier.

24 I have read and heard comments of broadcasting industry
25 figures, FCC Commissioners, and staff and pundits which have

1 referred to the broadcasting marketplace or the free market as
2 it pertains to broadcasting. They argue that the demands of
3 the marketplace should dictate the dynamics of control and of
4 content of programming. That's an appropriate concept in a
5 truly open marketplace, but broadcasting isn't an open
6 marketplace by virtue of its finite playing field. A finite
7 spectrum. Such a close, privileged marketplace of a public
8 resource requires -- no, it really demands oversight and
9 regulation in the public interest.

10 I'm not suggesting lots of regulations but enough to
11 protect the public interest. That's the fundamental role of
12 the FCC and a role that it has been charged with since radio
13 regulation began in this country in 1920's. Protection of the
14 public interest is underscored when we consider the current
15 control structure and that new entrants are now rare --
16 certainly in medium and major markets -- and that the barrier
17 to the entry that has always existed -- that spectrum issue
18 again -- has tightened.

19 Making entry even more difficult, stations have for years
20 routinely received license renewals virtually automatically.
21 It's virtually unheard of for a station to lose its license for
22 violations of rules or under license renewal challenge. If
23 it's even challenged. When the commission does act on
24 violations, overwhelmingly on technical or procedural issues,
25 stations are slapped with fines that are so small and

1 inconsequential they're considered a cost of doing business and
2 quickly forgotten.

3 In short, there is little accountability by radio and TV
4 stations, who have been afforded the privileged of holding a
5 broadcast license and different operators are virtually
6 excluded from participating or entering.

7 Having said that, I'm pleased that the commission recently
8 grew a backbone and levied fine that prompted the industry to
9 take notice. That of a \$27,000 fine a couple weeks ago against
10 WKRK in Detroit.

11 With that in mind, my point here is that there's a major
12 difference, which I have yet heard discussed in this process,
13 when invoking the concept of the expanding media marketplace.
14 A concept which is a primary justification for relaxing
15 control. There is a difference between broadcasting and
16 publishing, for instance, and between broadcasting and the
17 Internet. Anyone can start their own website and audio stream.
18 Anyone can launch a publication. Newspapers on the Internet
19 are not regulated like broadcasting and, more importantly, they
20 are not a finite class, like broadcasting. They are free
21 market enterprises. To mix them together with broadcasting
22 when discussing the issue of regulation and consolidation is
23 inappropriate unless the FCC somehow has plans to somehow
24 opening -- to open the broadcasting playing field, but I don't
25 think they are looking to do that.

1 Further, broadcasting is considered as and licensed as a
2 public service. The public has historically expected and
3 depended on news and information from radio and television.
4 And while sites on the Internet offer news and information, the
5 Net does not enjoy the penetration, affordability and reach of
6 broadcasting. And the public has yet to demand -- depend on
7 the Net, as it does broadcasting. Although that's changing, I
8 think the attitude of radio and TV as a reason for that, but I
9 digress.

10 And I appreciate the public outreach that Commissioner
11 Copps has afforded us. I trust that he and the commission will
12 hear us and act accordingly in the public interest. And I can
13 only hope that we in the future can get more time because we
14 all know that people like the NAB get plenty of it inside the
15 beltway. Thank you.

16 **MS. DILLARD:** Yes, my name is Joyce Dillard. I'm a
17 citizen who lives in the congressional district of Xavier
18 Becerra, in a community that's majority Latino, low income,
19 high in immigration.

20 And I'm here to address the lack of creativity in all
21 forms of communication, both broadcast and print. The children
22 are dying, literally. They are so depressed, it's hard to
23 describe. Communication is supposed to bring hopes and dreams.
24 It's supposed to trigger their ambitions, and we don't see
25 that.

1 We see that they love their families. We're a working
2 class community with small businesses, but the big conglomerate
3 is drug trafficking. It produces gang crime, fast money and
4 cheap thrills. We also know that the our children aren't
5 looking for their future in order to be able to afford cable or
6 the Internet or computers.

7 It was nice to see Congressman Becerra here, but very few
8 know there's a congressional Hispanic Caucus. And even less,
9 maybe I can count them on one hand, know that he's part of a
10 telecommunications and technology taskforce. In fact, we have
11 a political monopoly, but our monopoly is a one-party system.
12 It happens to be the Democratic party in our area. They do not
13 see a two-party system, free to compete and free to choose.

14 We ask that you look at this communications industry in
15 all it's form as a conduit for the future of our children.
16 They are disengaged, and it's ultimately important that they
17 cherish what our ancestors fought for and established, and
18 that's our freedom in this world. Thank you.

19 **MR. GROSH:** I'm Eric Grosh. I'm a physician. I also have
20 some training in engineering, and a concerned citizen. I have
21 been very impressed with a lot of the eloquence from the other
22 speakers, both on the panel and from the public. I've been in
23 and out -- drifting in and out of tears at some the terrific
24 words that have been spoken.

25 I just wanted to start off with a notification that I --

1 that I think I detected the fallacy of equivocation here.
2 There is a difference in the use of the term public interest, I
3 thought, between the first panel and the second panel. The
4 first panel, the measure of public interest is rating score, it
5 seemed to me. And the second panel, I think, took the correct
6 view that it's what the public good serves.

7 And I'd just also like to note a thing that came to
8 recently, the advantages of books. If you go into a bookstore
9 there is a distinct clarification of this side, these shelves
10 are devoted to nonfiction -- these sides -- these shelves are
11 devoted to fiction. And it's not all that clear on the -- on
12 the electronic media. My scientific training instructs me that
13 empirical evidence is defined as experimental evidence.

14 Now, the experiment can be carried on in a sort of formal
15 control manner or it can be viewed in the broader context of
16 the real world. And I'd just like to go over a few of the --
17 the pieces of empirical evidence that it would seem to be
18 germane to this discussion that the court order mandated.

19 Sort of at the top of the list to my mind is the question
20 that arouse after 9/11 -- why do they hate us? After 150 years
21 of aggressive war by the United States in multiple, foreign
22 military adventures, that this should be an unfathomable
23 mystery is an unfathomable mystery to me. And then George
24 Bush's -- here's the man holding the highest status office in
25 the land, has so much confidence in the PR efficacy of the

1 media that he has the temerity to answer that question with,
2 "They hate us", speaking of the -- of the 9/11 hijackers and
3 their planners -- "They hate us for our freedom." That he
4 could dare to insult our intelligence to that extent.

5 This is a piece of empirical evidence. It's like, what
6 George Carlin would call the turd in the punchbowl. It is so
7 awful that nobody wants to mention it. There are other
8 multiple bits of evidence. Another one was the fabrications
9 that proceeded the war in Iraq. That Saddam Hussein was the
10 bad guy in everything and everything -- anything and
11 everything. That he was importing Uranium from Africa, which
12 was a forgery, the documentation that supported that -- that
13 evidently persuaded Diane Feinstein and her colleagues in the
14 Senate to support the war resolution when they had not done so
15 before.

16 That he was a -- an ally of Al Qaeda in some respect.
17 That war that we -- received the signal that war is no more
18 than a sterile, bloodless video game, which is the impression
19 we get from the Pentagon war briefings.

20 And I just wanted to close by talking about -- as an
21 engineer, I learned about feedback loops. That certain -- a
22 certain action in one direction causes certain consequences in
23 another part of the loop. If you have corporations that
24 manufacture munitions also in charge of media conglomerates,
25 then they will look out for their interest up and down the

1 entire vertical structure of their entire corporation.

2 Therefore, they -- because they sell munitions they favor
3 war. If you have more war you have increased revenues.
4 Increased diversion of tax revenues from your pocket and mine
5 into the corporate coffers. Increased campaign donations --
6 contributions to politicians, who then -- this is a formula for
7 maintaining the status quo, in which we have a so-called
8 two-party system -- Democrats and Republicans are the two
9 branches of the fat-cat party.

10 The Vietnam radical -- the Vietnam War radicalized the
11 population by two, basically two factors -- the deaths of
12 Americans who were compelled to serve by a draft and the
13 prolongation of the war for almost 30 years. So they -- they
14 took the opposite tack -- let's have nothing but Blitzkrieg
15 war, fast in, fast out and eliminate the draft, so that only
16 people who nobody cares about -- the vast silent majority that
17 nobody cares about -- the poor and the disenfranchised -- are
18 subjected then to an economic draft.

19 So more war, more munitions, more corporate profit, more
20 tax revenues diverted to corporate coffers and so forth. And
21 so the cycle continues in the vast feedback loop that is
22 secured by the media. Mollifying the population by prettifying
23 war, making it a matter of taste, eliminating the blood and so
24 forth. That's -- that's basically mine.

25 **MR. KAY:** My name is Scott Kay, and I'm here as a citizen.

1 I heard all the panelists this morning, and I did not hear one
2 justification for the public benefit of further consolidation
3 of the media companies. We heard a lot today about the five or
4 six media owners and a little-told story is that those very
5 same media owners have exported tens of thousands of American
6 jobs from this country.

7 There was a recent Los Angeles Times poll about the war in
8 Iraq and the approval of the President. Sixty-nine percent of
9 the respondents gave their main source of news about the war as
10 cable news channels. Fascism has been defined as the merger of
11 corporate and government interests. Presently, we don't need a
12 Ministry of Propaganda.

13 **MR. WATTS:** Hi, my name is Gary Watts. I'm member of
14 Teamsters Local 399. I'm an active member. And I'm quite
15 concerned what the media mergers mean to my labor organization
16 as well as any other labor organization out there.

17 We need to have an outlet for our opinions, to get our
18 issues across. We are having several problems here. What I'm
19 seeing is that media mergers is not serving the public's
20 interest. When the media mergers came about in the --
21 throughout the years, it was with the intent to better serve
22 the members or better to serve the general public. And I yet -
23 I have seen this yet to happen here.

24 The only thing I see it as a self-serving interest of
25 the -- of the major media conglomerates here. What I'm

1 starting to see now is we're talking about 500 channels. I see
2 250 channels of reruns. That is not serving the general public
3 here. What I've come to find out is we have to -- let me go
4 over my notes here real quick. I'm blind here. Okay.

5 There's a lot of issues here. I'm kind of brain locked
6 here. We have to look at some of these -- these mergers. When
7 we go into these mergers we're starting to look at some -- all
8 these different business models. We're seeing some bad
9 business models starting to merge with another bad business
10 module. So it just destined for failure on this aspect here.
11 I do not see that -- any light at the end of tunnel as far as
12 benefiting the public.

13 A couple of things I do have to question. If the FCC is
14 so concerned that the public is served, they have yet to
15 mandate any type of regulation in such a manner that there must
16 be a public notification on the channels 60 or 30 days prior to
17 any media merger taking place or any FCC review taking place.
18 I've yet to see that put in -- put out on the table here. I
19 think the FCC has failed in this matter in a very large manner.
20 That's it, sorry.

21 **MR. WATALATO:** Which camera is rolling? This one? Okay.
22 My name is Ralph Watalato. I'm a graduate student at the
23 Annenberg School of Journalism. I -- when I -- when I saw a
24 lot of the speakers and a -- and a lot of what was said here, I
25 think that there is a cultural divide between people who have a